

STATE OF RHODE ISLAND

DIVISION OF PUBLIC UTILITIES & CARRIERS Legal Section 89 Jefferson Boulevard Warwick, Rhode Island 02888 (401) 941-4500 (401) 941-9207 - Fax

Memorandum

To:

Rhode Island Public Utilities Commission

From:

Christy Hetherington, Esq. (LLX)

Date:

April 15, 2021

Re:

Docket 5126: Petition of Hughes Network Systems, LLC for Designation as an

Eligible Telecommunications Carrier in Rhode Island (High Cost Support)

On February 10, 2021, Hughes Network Systems, LLC, (Hughes) filed with the Rhode Island Public Utilities Commission (PUC) a Petition for "designation as a high cost eligible telecommunications carrier (ETC) in the State of Rhode Island" for the purpose of offering broadband and Voice over Internet Protocol (VoIP) service to qualified households. Precisely, Hughes seeks to receive funding from the federal Rural Digital Opportunity Fund (RDOF) to offer subsidized broadband and VoIP service to eligible low-income consumers in the state. As described in Hughes' Petition, on December 7, 2020, the Federal Communications Commission (FCC) awarded Hughes funding for specified census block areas as part of the FCC's RDOF "Phase 1 Auction," referred to as Auction 904. *See* Petition at 1. Prior to seeking final approval from the FCC, Hughes must first obtain the requisite designation as a high cost ETC from the PUC.

The DPUC has carefully reviewed Hughes' filing, familiarized itself with the high cost support ETC process at the FCC level, as well as the requisite federal and regulatory requirements applicable to this matter. The DPUC also reviewed Hughes' history and experience as an FCC-designated high cost ETC in the state of New York and it takes note of the PUC's recent approval

of Hughes to be a registered Class VI Telecommunication Supplier. *See* Order No. 24012, Docket 5125. Moreover, the DPUC reviewed the FCC Rules, incorporated by reference by the PUC Rules, that require submission of a "five-year plan" that describes proposed improvements or upgrades to the applicant's network, and Hughes' request for waiver of the same. Having now concluded its vetting process, the DPUC finds that Hughes has satisfied the threshold regulatory criteria and that grant of Hughes' petition, to include grant of a waiver of the "five-year plan" requirement, is in the public interest.

The DPUC recommends that the PUC grant the designation sought by Hughes without further delay or need for additional regulatory vetting on the state level.